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Signed and Filed: June 5, 2019

DENNIS MONTALI
U.S. Bankruptcy Judge

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case
No. 19 -30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**SUPPLEMENTAL ORDER (A)
APPROVING APPOINTMENT OF
ADMINISTRATOR AND ESTABLISHING
GUIDELINES FOR THE WILDFIRE
ASSISTANCE PROGRAM AND (B)
GRANTING RELATED RELIEF**

Related Docket Nos.: 1777 and 2223

1 Upon the Order entered by the Court on May 23, 2019 (the “**Initial Order**”) [Docket
2 No. 2233] granting the Debtors’ *Motion Pursuant to 11 U.S.C. §§ 105(a) and 363(b) and Fed. R.*
3 *Bankr. P. 2002 and 6004(h) for an Order (a) Authorizing Debtors to Establish and Fund Program to*
4 *Assist Wildfire Claimants with Alternative Living Expenses and Other Urgent Needs and (b) Granting*
5 *Related Relief* [Docket No. 1777] (the “**Motion**”)¹ and requiring, among other things, the Debtors and
6 the Committees to (i) select forthwith an Administrator for the Wildfire Assistance Program and (ii)
7 confer with the selected Administrator forthwith on the terms of an order appointing the Administrator
8 and the guidelines for the administration of the Wildfire Assistance Program; and the Debtors and the
9 Committees having met and conferred and having agreed upon the selection of an Administrator; and
10 upon the agreement of the Debtors, the Committees and the selected Administrator: and upon the
11 record established in support of the Motion and the entry of the Initial Order,

12
13 **IT IS HEREBY ORDERED THAT:**

14 1. Cathy Yanni is appointed as Administrator of the Wildfire Assistance Program.
15 2. The Debtors are authorized to deposit \$105 million into a segregated account
16 (the “**Wildfire Assistance Fund**”) to be controlled by the Administrator who shall be responsible for
17 disbursing and administering the Wildfire Assistance Fund in accordance with the Program Terms (as
18 defined below). The Debtors shall have no obligation to deposit any additional funds into the Wildfire
19 Assistance Fund.

20 3. The Administrator shall be responsible for developing the specific eligibility
21 requirements and application procedures for the distribution of the Wildfire Assistance Fund to eligible
22 Wildfire Claimants (the “**Program Terms**”) consistent with the following principles and guidelines:

23 **(1) Eligibility Criteria**

24 a) The Administrator shall determine the eligibility criteria for
25 participation in and receipt of funds from the Wildfire Assistance

26
27 ¹ Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such
28 terms in the Motion.

1 Program, including the types of expenses Wildfire Claimants can obtain
2 financial assistance for and the amount of assistance to be provided to
3 each eligible Wildfire Claimant (the “**Eligibility Criteria**”). The
4 Administrator shall consider the Committees’ reasonable input in
determining the Eligibility Criteria, and may adopt, modify or reject the
input in whole or in part.

5 b) The Administrator shall consult with the Federal Emergency
6 Management Agency (“**FEMA**”) as to the Eligibility Criteria to ensure
7 eligible Wildfire Claimants do not receive funds from both FEMA and
8 the Wildfire Assistance Program for the same expenses.

9 c) In developing the Eligibility Criteria, the Administrator shall:

10 i. ensure that the Wildfire Assistance Fund is distributed in a fair and
11 equitable manner, and assistance is prioritized to those eligible
12 Wildfire Claimants who are most in need, including those who are
13 currently without adequate shelter (*e.g.*, living in tents); and

14 ii. ensure that only eligible Wildfire Claimants, being those who lost
15 their homes in the 2017 and 2018 Wildfires² receive distributions
16 from the Wildfire Assistance Fund.

17 d) The Administrator shall file a copy of the Eligibility Criteria with the
18 Court.

19 (2) The Administrator’s Authority and Obligations

20 a) The Administrator shall be authorized to engage (i) a claims
21 management firm, (ii) a legal advisor, (iii) an accounting firm, and (iv)
22 in consultation with the Debtors and with the consent of the Committees
23 or by further Court order, any other professional the Administrator
24 deems necessary or appropriate to assist in administering the Wildfire
25 Assistance Program in accordance with these principles and guidelines
(collectively, the “**Program Professionals**”). The Administrator may
also partner with local housing agencies and community organizations
with relevant experience and expertise (the “**Local Organizations**”) to
assist with the administration of the Wildfire Assistance Program. The
costs of administering the Wildfire Assistance Program, including the
Administrator’s fees, the fees of the Program Professionals and costs
associated with partnering with Local Organizations (collectively, the

26 ² The 2017 and 2018 Wildfires are the Atlas, Adobe, Blue, Cascade, Cherokee, Honey, LaPorte,
27 Lobo, Macaama, McCourtney, Nuns, Norrbom, Partrick, Pocket, Point, Pressley, Pythian, Redwood,
28 Sulphur, Tubbs and 37 Fires in 2017, and the Camp Fire in 2018.

1 **“Fund Expenses”**) shall be paid from the Wildfire Assistance Fund.
2 The Fund Expenses shall not exceed \$5 million in total.

3 b) The Administrator shall prepare and, within 30 days after the end of a
4 quarterly period (or such longer period as may be agreed to by the
5 Administrator and the Committees or as authorized by Court order), file
6 quarterly reports with the Court and serve such reports on counsel to the
7 Debtors and the Committees. These reports shall include (i) the number
8 of applications submitted to and processed by the Wildfire Assistance
9 Program during the preceding quarter, and (ii) an account of the receipts
10 and disbursements from the Wildfire Assistance Fund during the
11 preceding quarter.

12 c) The Administrator shall keep adequate administrative and financial
13 records of the Wildfire Assistance Program, including a record of to
14 whom disbursements from the Wildfire Assistance Fund are made and
15 in what amounts. The Debtors and the Committees may inspect all the
16 Wildfire Assistance Program’s records upon request.

17 4. A Wildfire Claimant who receives a payment from the Wildfire Assistance
18 Fund and who subsequently is entitled to receive a distribution from the Debtors in respect of a claim
19 on account of the 2017 and 2018 Wildfires (a **“Claim Distribution”**) shall have the amount of such
20 payment received from the Wildfire Assistance Fund deducted from such Claim Distribution.

21 5. Nothing in the Initial Order, this Supplemental Order or the Motion is intended
22 to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b)
23 a waiver of the Debtors’ or any appropriate party in interest’s rights to dispute any claim, or (c) an
24 approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the
25 Bankruptcy Code. Likewise any payment made in connection with the Motion, the Initial Order, this
26 Supplemental Order or from the Wildfire Assistance Fund is not intended to be and shall not be
27 construed as an admission as to the validity of any claim or a waiver of the Debtors’ rights to dispute
28 such claim subsequently.

 6. Nothing in the Initial Order, this Supplemental Order or the Motion constitutes
or shall be deemed to constitute an acknowledgement or admission by the Debtors of any liability or
responsibility for any of the 2017 and 2018 Wildfires or for any claims related thereto.

 7. Notwithstanding entry of the Initial Order or this Supplemental Order, nothing

1 herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim
2 held by any party.

3 8. This Supplemental Order shall be immediately effective and enforceable upon
4 its entry.

5 9. The Debtors and the Administrator are authorized to take all steps necessary or
6 appropriate to carry out this Supplemental Order and effectuate the relief granted herein.

7 10. This Court shall retain jurisdiction to hear and determine all matters arising
8 from or related to the implementation, interpretation, or enforcement of this Supplemental Order.

9
10 APPROVED AS TO FORM AND CONTENT:

11 Dated: 3 June 2019

12 **MILBANK LLP**

13 By: /s/ Thomas Kreller
14 Thomas Kreller

15 *Attorneys for Official Committee of Unsecured Creditors*

16 **BAKER & HOSTETLER LLP**

17
18 By: /s/ Robert Julian
19 Robert Julian

20 *Attorneys for Official Committee of Tort Claimants*
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1 **CATHY YANNI**

2
3 By: /s/ Cathy Yanni

4 Cathy Yanni

5 *Proposed Administrator of the Wildfire Assistance Program*

6
7 ** END OF ORDER **